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Attorneys for Defendants
AMERICAN DEFENSE INVESTMENTS, LLC,
RICHARD BERKSHIRE, KENNETH J. KOOCK
AND JOHN C. KIRKLAND

UNITED STATES DISTRICT COURT
CENTRAL DISTRICT OF CALIFORNIA, WESTERN DIVISION

DAVID L. DEFREES, et al.,

Plaintiffs,

v.

JOHN C. KIRKLAND, et al.,

Defendants, and

U.S. AEROSPACE, INC.

Nominal Defendant.

Case No. CV 11-04272 JLS (SPx)
consolidated with Case No. CV 11-04574
JLS (SPx)

(Derivative Action)

[Assigned to Hon. Josephine L. Staton]

SUGGESTION OF BANKRUPTCY

Complaint Filed: May 26, 2011
Trial Date: None Set

TO THE ABOVE-ENTITLED COURT AND TO ALL PARTIES AND THEIR
ATTORNEYS OF RECORD:

PLEASE TAKE NOTICE that on August 21, 2017, nominal defendant
USAE, LLC f/k/a U.S. Aerospace, Inc., filed a voluntary petition in the United
States Bankruptcy Court for the District of Delaware for relief under chapter 11 of
title 11 of the United States Code (the "Bankruptcy Code") in the case entitled *In re*
USAE, LLC. A copy of the voluntary petition is attached hereto as Exhibit "A".

PLEASE TAKE FURTHER NOTICE that pursuant to section 362(a)(1) of the Bankruptcy Code, the Debtor's filing of a voluntary petition creates an automatic stay of this entire action. *In re Soundview Elite Ltd.*, 565 B.R. 534, 543-44 (Bankr. S.D.N.Y. 2017) ("the automatic stay prevents creditors from pursuing [derivative] claims"); *In re Massey Energy Co. Derivative & Class Action Litig.*, 160 A.3d 484, 496 (Del. Ch. 2017) ("[nominal defendant Alpha filed for bankruptcy and [shareholder derivative] action was automatically stayed"); *In re Greenwood Supply Co.*, 295 B.R. 787, 794-95 (Bankr. D.S.C. 2002) (upon the filing "of bankruptcy, the existing right to pursue a derivative action becomes part of the bankruptcy estate"); *Skolnick v. Atlantic Gulf Communities Corp. (In re Gen. Dev. Corp.)*, 179 B.R. 335, 338 (S.D.Fla. 1995) (debtor's filing of bankruptcy cuts off shareholder's ability to pursue derivative action); *Brateman v. Brateman Bros., Inc. (In re Brateman Bros.)*, 135 B.R. 853, 856 (Bankr. N.D. Ind. 1991) (derivative plaintiffs have no right to continue to prosecute a derivative action that was pending before the debtor filed bankruptcy).

DATED: August 21, 2017

INCITE LAW GROUP, INC.

By: 

Mark A. Vega

Attorneys for Defendants

AMERICAN DEFENSE INVESTMENTS,
LLC, RICHARD BERKSHIRE, KENNETH
J. KOOCK and JOHN C. KIRKLAND

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EXHIBIT A
In re USAE, LLC voluntary petition for bankruptcy relief